

DEPARTMENT OF HEALTH SERVICES

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August 3, 1999

MMCD All Plan Letter 99011

TO: Medi-Cal Managed Care Health Plans

SUBJECT: NEW MEDI-CAL MANAGED CARE EXEMPTION FORMS

The purpose of this letter is to provide information to contracting health plans regarding new Medi-Cal Managed Care Exemption Certification Forms that will be implemented by Health Care Options (HCO) program, effective August 2, 1999—one for Medical Exemption Certifications and the other for Non-Medical Exemption Certifications (copies enclosed).

As you know, beneficiaries in mandatory enrollment categories can request exemption from enrollment in a Medi-Cal managed care plan for the following reasons:

- The beneficiary is currently under treatment for a complex or chronic medical condition by a Medi-Cal fee-for-service provider who is not a participating provider with a Medi-Cal managed care plan in the beneficiary's county of residence.
- The beneficiary is a Native American, Alaskan Native or a qualifying non-Indian who chooses to receive healthcare services through an Indian Health Service facility.
- The beneficiary is enrolled in one of four Medi-Cal waiver programs.

To be certified for one of these three types of exemptions, the beneficiary must have an exemption request form completed by the treating physician and submitted to the HCO program.

New Forms Part of Department's Anti-Fraud Initiative

These new exemption forms were developed as part of the Department of Health Service's anti-fraud initiative and will replace the current one-page "Medi-Cal Managed Care Exemption Certification for Medical Conditions and Indian Health Program Exemption" form. The new forms will help the Department achieve a number of goals related to the exemption process:



- Reduce fraud and abuse in the exemption process, as recently highlighted by audit findings of a substantial number of fraudulent medical exemptions.
- Provide clearer instructions for completing and submitting the exemption requests.
- Present more detailed exemption criteria information for beneficiaries, providers and others involved in completing these forms.
- Reduce the number of requests that have to be returned for more information.
- Improve the overall appearance of the forms.

Improved Features of New Forms

The new exemption forms clearly specify that there are two major types of exemptions (medical and non-medical) and have a number of improved features:

Medical Exemption Certification Form

- Now specifies the 12-month time limit for medical exemptions and indicates that extensions beyond 12 months require submission of a new form.
- Solicits more detail from the physician regarding the beneficiary's complex medical condition, such as date treatment began, duration of treatment plan, and ICD-9-CM codes related to the patient's diagnosis. Certifying providers now must provide their medical license number, in addition to the Medi-Cal provider number they will use to bill for the services they are providing to the beneficiary.
- Informs providers that their signature on this form certifies the accuracy of the information provided and that the Department may audit the completed form to verify its accuracy.
- Encourages full completion of the form through improved layout.

Non-Medical Exemption Certification Form

- Solicits more complete information from the Indian Health Service facility certifying that healthcare services will be provided to the beneficiary and from the provider certifying the patient's enrollment in a waiver program.
- Identifies the specific Medi-Cal waiver programs that qualify beneficiaries for exemption from enrollment in a managed care plan.
- Informs signing providers that the Department may audit the completed form to verify its accuracy.
- Encourages full completion of the form through improved layout.

Implementation of New Forms

The HCO program will begin using the new forms no later than August 2, 1999. These forms will be included in HCO enrollment packets, available at HCO program sites, and provided to beneficiaries upon request by telephone, facsimile, or in writing. Exemption requests submitted on the previous form will be processed by HCO through August 31, 1999. Requests submitted on the previous form after August 31, 1999, will be denied, and HCO will instruct requestors to submit the request on the new forms. Medi-Cal providers will be sent a notice in early August regarding these new forms.

These new forms not only will reduce the likelihood of fraud and abuse in the exemption process, but also will make it easier for beneficiaries and providers to understand the required information and for providers to complete the forms. The Department wants to ensure continued access to legitimate exemptions from managed care plan enrollment to allow for continuity of care outside the managed care program when medically necessary or to afford access to specific facilities.

If you have questions or comments about these new exemption forms, please contact your contract manager.



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Enclosures